

The Gilded Age (1865-1900)

- Following the Civil War (1861-1865), the U.S. went through a period of rapid technological innovation, industrialization, and economic growth
- New machines revolutionized manufacturing and the introduction of division of labor and assembly lines led to large scale mass production
- Simultaneously, the US experienced rapid urbanization and large scale immigration following the Civil War
- West becoming more populated
- Despite the seeming prosperity of this era, rapid industrialization and urbanization also led to severe economic inequality, with wealth concentrated

Post-Civil War Railroad Boom

- Railroads were the engine for this economic explosion and America's first big business
- The growth of railroads led to the growth of iron/steel, coal, oil industries
- Railroads helped develop a truly national economy, distance was less and less of an obstacle, farms in middle and west of country were now connected to major markets in East
- In 1869, the first **transcontinental railroad** was completed, linking the Atlantic and Pacific coasts
 - Funded by the federal gov., land grants to **Union Pacific** and **Central Pacific** companies
- Railroads also facilitated Americans moving west, west began filling in

Gilded Age Tycoons

- In this environment of rapid industrialization, several innovative industrialists emerged as the titans of the era
- The businessmen who owned and controlled the new manufacturing enterprises became extremely rich and powerful
- **Cornelius Vanderbilt**: railroad magnate, bought up small, independent railroad companies in the northeast and standardized railroad gauges (size of track)
- **Andrew Carnegie**: early adopter of the Bessemer process, founded **Carnegie Steel**
- **John D. Rockefeller**: founder of **Standard Oil**, a trust that controlled 90% of oil refining in the U.S. by late 1880's
- **J.P. Morgan**: most prominent banker/financier of the Gilded Age, bailed U.S. gov. out of near bankruptcy in 1890's
- These tycoons were alternately revered and condemned as "**Captains of Industry**" and "**Robber Barons**"
 - **Robber Barons**: Many criticized them for ruthless greed, eliminating competitors, paying workers low wages, eliminating unions in their industries, manipulating politics
 - **Captains of Industry**: However, many praised them for innovating, driving U.S. economy forward, building the modern U.S., donating much of their wealth to philanthropy (building schools, libraries, hospitals, etc.)

Business Consolidation

- The Gilded Age saw the rise of the first large scale corporations
- Larger and larger businesses led to larger and larger profits (economies of scale)
- Industrialists such as Vanderbilt, Carnegie, and Rockefeller pioneered new forms of business consolidation to increase their control of the railroad, steel, and oil industries
- **Trust:** a combination of firms by legal agreement = large corporation operated by a board of trustees for the benefit of the owners/investors
- **Holding Company:** owned enough stocks in various companies to have a controlling interest in the production of raw material, the means of transporting the material to a factory, the factory itself, and the distribution network
- **Vertical Integration:** one company buys out all the factors of production, from raw materials to finished product
- **Horizontal Integration:** several smaller companies within the same industry are combined to form one larger company (usually bought out by powerful competitor)
 - Horizontal integration often results in **monopolies**

Tycoons Defend Their Wealth

- Gilded Age industrialist went to great lengths to justify the enormous disparity between themselves and their suffering laborers that many critics pointed to
- How could they reconcile their excessive wealth while their workers' barely survived?
 - **Social Darwinism:** "survival of the fittest", applied Darwin's theory of natural selection to business, only the "fittest" businesses survived in free market
 - Also used to argue that certain races were superior to others
 - **The Gospel of Wealth:** Andrew Carnegie argued that the concentration of wealth among a few was natural and efficient. Carnegie asserted that it was the duty of the wealthy capitalists to give much of their wealth back to society, "to die wealthy is to die disgraced"

How the Other Half Lived

- While the Gilded Age was an era of unprecedented economic wealth, many social problems developed as a result of rapid industrialization and urbanization
- Majority of this newly generated wealth was concentrated in the hands of a few wealthy capitalists
- For many working class Americans, life in the Gilded Age was one of abysmal living and working conditions
- The millions of immigrants who flooded into the U.S. in the Gilded Age, life was a far cry from that of the wealthy capitalists, found themselves trapped in low paying factory jobs
- **"New Immigrants"** from Southern and Eastern Europe began arriving in large numbers after the Civil War, processed at Ellis Island, NYC
- These immigrants were often victims of growing **nativism**
 - New immigrants didn't speak English
 - New immigrants weren't Protestants, usually Catholic, Jewish, Eastern Orthodox
 - New immigrants often arrived without money

- New immigrants competed with native born American' for jobs
- Settled in northern cities, often in ethnic neighborhoods
- Exploited by **political machines** that dominated major cities, machines offered services, jobs in exchange for votes
- Political machines used their power to enrich themselves through graft,
 - Most famous political machine of the Gilded Age was **Tammany Hall** in NYC, led by political boss **William "Boss" Tweed**
- Urban laborers lived in crowded, low rent apartment complexes called **tenements**
- Worked anywhere from 12-16 hours a day
- Paid well below a living wage, entire family forced to work
- Endured dangerous factory conditions
- Child labor was rampant, children as young as 6 working full time jobs
- No retirement benefits, or medical coverage
- Gov.s **laissez-faire** policy resulted in no gov. oversight and exploitation of working class

Labor Unions and Strikes

- In response to poor working conditions and exploitation by industrialists, workers began to organize
- Laborers began forming **labor unions** during the Gilded Age, designed to achieve higher pay, lower hours, safer work environments, etc.
- Unions utilized **collective bargaining**, **slowdowns**, and **strikes** to achieve demands
- Industrialists attempted to eliminate unions through **yellow dog contracts**, **blacklists**, **lockouts**, **strikebreakers**
- Earliest national union was the **Knights of Labor**
 - Formed in 1869, led by Terrence Powderly
 - Open to both skilled and unskilled laborers
 - Open to women and minorities
 - Advocated for equal pay for men and women, child labor laws, safety and sanitary codes, income tax, gv. Ownership of railroad and telegraph lines
 - Public began to associate them with violence and radicalism after involvement in several violent strikes
 - KoL collapsed after **Haymarket Square Riot of 1886**
- Another major union was the **American Federation of Labor (AFL)**
 - Formed in 1886, led by Samuel Gompers
 - Open only to skilled workers
 - Open only to white, male workers
 - Focused on "bread and butter" issues: higher wages and better working conditions for their members
- A more radical union from this time period was the **Industrial Workers of the World (IWW)**
 - Founded in 1905, led by William "Big Bill" Haywood
 - Called for an overthrow of the entire capitalist system

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- Many early strikes were unsuccessful, as the federal gov. Tended to intervene on the side of big business

	Haymarket Square Riot	Homestead Strike	Pullman Strike
Description	• Knights of Labor members went on strike for 8 hour workday • At a rally in Haymarket Square, Chicago, someone threw a bomb into the crowd killing a police officer and several others • No one knew who threw the bomb, KoL denounced the violence	• Workers at Andrew Carnegie's Homestead Steel factory went on strike, protesting wage cuts and refusal to allow them to form a union • Factory manager Henry Frick hired Pinkerton Detective force to prevent the steel workers from protesting	• Workers at the Pullman Palace Car Company refused to take a pay cut and increase to rent • Pullman company fired 5000 employees • In a show of support for the Pullman employees, Eugene Debs and the American Railroad Union refused to operate any trains pulling Pullman cars
Outcome	• The American press oov., and public blamed the KoL for the bombing • Public began to associate labor unions with mob violence and anarchy • KoL membership began to	• Clash between the Pinkertons and strikers led to several deaths and retreat of Pinkertons • Pennsylvania state militia was called in to end the strike and Frick hired scabs to	• Federal court injunction ruled the strike illegal because it interfered with the postal services delivery of mail • Federal troops were sent in by President Cleveland to

	decline	replace the striking workers	arrest Debs end the strike
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The South during the Gilded Age

- While the north continued to industrialize and urbanize after the Civil War, the south remained a largely rural and agrarian society
- Many landless black and white farmers were forced into sharecropping, keeping them in a state of virtual slavery
- With the end of Reconstruction in 1877, southern states passed **Jim Crow laws**, discriminatory legislation that mandated a society segregated along racial lines
- In the 1893 landmark case **Plessy v. Ferguson**, the Supreme Court ruled that “**separate but equal**” facilities were legal, and therefore, Jim Crow laws constitutional
- Jim Crow segregation would persist until it was dismantled by the modern civil rights movement in the 1960’s
- Two important African American leaders emerged during this period and offered different approaches for African-Americans:
 - **Booker T. Washington**, a former slave, didn’t believe white society was ready to accept blacks as equals
 - Washington argued that African Americans should postpone political and social equality and first achieve economic independence to improve their lot
 - Washington founded the **Tuskegee Institute** and encouraged vocational and industrial education for African Americans as a first step towards equality
 - Washington expressed these views on race relations in his famous “**Atlanta Compromise**” speech in 1895
 - **W.E.B. DuBois**, the first African American to receive a PhD from Harvard, denounced Booker T. Washington as an accommodationist
 - DuBois was a proponent of classical education and encouraged African Americans to press for immediate equal rights
 - DuBois helped found the **NAACP** in 1909 and headed the NAACP newspaper *The Crisis*
 - The NAACP fought for racial equality using the American court system
 - DuBois became discouraged by the lack of gains for African Americans in the first half of the 1900’s and moved to Ghana in 1961

Developments in the West during the Gilded Age

- **Frederick Jackson Turner’s Frontier Thesis:** Turner argued that the strength and vitality of the American identity was based on the frontier, westward expansion helped to mold the American character, its emphasis on democracy and individualism

- Implied that once the frontier was closed, which it was by 1890, America would need to look outside its own borders for future expansion
- The U.S. had acquired abundant territory in the first half of the 1800's, but much of it was still sparsely populated after the Civil War
- Following the Civil War, there was a mass migration westward
- The completion of the first transcontinental railroad in 1869 helped facilitate this migration west
- Trains connected the west to the major markets in the eastern portion of the country
- A trip across the country was cut from 4 weeks to just 4 days
- The U.S. gov. Funded the construction of the transcontinental railroad by passing the **Pacific Railway Act of 1862**
 - The **Union Pacific** began building from Omaha, Nebraska and the **Central Pacific** began building from Sacramento, California
 - The two companies were paid in land grants for every mile of track they built
 - Chinese and Irish laborers were essential in the construction process
- As railroads pushed west, settlers started filling in territory
- By 1889, North Dakota, South Dakota, Washington, and Montana became states
- Wyoming and Idaho joined by 1890

Motivations for Migration to the West

- Mining
- Cattle drives
 - Age of the cowboy and the long cattle drives over by the 1890's with advent of barbed wire and privatization of open range
- Homesteads
 - In 1862 the U.S. gov. passed the **Homestead Act**, which granted 160 acres of land out west to anyone who agreed to work it for 5 years
 - Much of this land that the gov. gave away was Native American territory
 - Many African-Americans, known as **Exodusters**, took advantage of this land give away to escape the Jim Crow south

The Decline of the Great Plains Indians

- As white Americans moved west, it was Native Americans who lost the most
- The Great Plains was home to some 300,000 Native Americans in the mid-1800s
- In the first half of the 19th century, the U.S gov. had pursued a policy of Indian removal
 - Tribes east of the Mississippi River had been forced west by the **Indian Removal Act of 1830**, the land west of the Miss. River was essentially considered "one big reservation"
- However, as Americans moved west of the Mississippi River after the Civil War, railroads, miners, farmers, and ranchers began encroaching on the traditional territory of the many tribes of the Great Plains
- The vast wild buffalo herds that roamed the Great Plains were quickly decimated by overhunting, railroad companies paid hunters to kill buffalo

- As late as 1840, there were some 60 million buffalo in North America
 - By 1886, there were fewer than 100
- The U.S. gov. signed numerous treaties with Great Plains tribes, only to have white settlers repeatedly disregard the agreements to open the territory to white settlement
- **Treaty of Fort Laramie:** In 1851, the U.S gov. Called together the Sioux, Cheyenne, Arapaho, and other plains tribes in Wyoming and pressured them to turn over much of the “Indian Territory” west of the Mississippi River
- When some Sioux and Cheyenne resisted the treaty, attacking miners and soldiers in southeastern Colorado
- In response, Colonel John Chivington and the Colorado militia opened fire on a peaceful Cheyenne village in 1864, killing more than 150 men, women and children in the **Sand Creek Massacre**
- In 1868, U.S. officials signed the **Second Treaty of Fort Laramie** with the Sioux, Cheyenne, Arapaho
 - This treaty designated a large reservation for these tribes in the Black Hills of South Dakota
- When gold was discovered in the Black Hills in 1874 , land reserved for the Sioux by the treaty, thousands of miners disregarded the treaty and moved in
- The U.S. gov. quickly tried to buy back the land from the Great Plains tribes, an offer that the tribal leaders rejected
- Sioux warriors gathered under the leadership of chiefs **Sitting Bull** and **Crazy Horse** and prepared to resist the white intruders
- **Colonel George Custer** and the **7th Cavalry** were sent into the Black Hills to subdue these warriors
- **Battle of Little BigHorn (1876):** Colonel Custer and his 211 men were all wiped out by a force of several thousand Sioux and Cheyenne warriors led by Sitting Bull
 - The Battle of Little BigHorn was the last major victory for the Great Plains tribes against the U.S. military
 - In 1877 Crazy Horse surrendered and Sitting Bull and his followers fled to Canada, later surrendered in 1881
- Meanwhile, the Nez Perce and **Chief Joseph** resisted being forced onto reservations in the Northwest
- In the American southwest, the Navajo and Apache, led by **Geronimo**, also fought against being moved onto reservations
- By the 1880's, most Great Plains tribes had been moved onto reservations and the buffalo herds on which they depended were dwindling
- In response to their growing despair, a new spiritual movement known as the **Ghost Dance** began to spread among the tribes of the Plains
 - A prophet named **Wokova** preached that chants and the Ghost Dance would result in the removal of the whites and the return of lost Native Americans and the buffalo
 - Many of Wokova's followers in the Sioux tribe left their reservations and gathered on the **Pine Ridge reservation** in South Dakota

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- Fearing that the Ghost Dance followers were preparing for war, the U.S. Army was sent to round up the Ghost Dancers
- After surrounding the Ghost Dancers at Wounded Knee Creek, SD on Dec. 28, 1890
- **Wounded Knee Massacre (1890):** U.S. troops fired on the Sioux, killing some 300 men, women, and children
 - The Wounded Knee Massacre ended armed conflict in the west

Efforts to Assimilate Native Americans

- Many Americans felt that assimilation was the only way for Native Americans to survive
- Reformers worked to “Americanize” Native Americans
- **The Dawes Severalty Act (1887):**
 - Divided Indian reservations into individual plots of land and allocated the plots to families
 - Designed to encourage Native Americans to give up traditional culture and become farmers
 - Gov. sold leftover land, often the best land, to white settlers
 - Many Native Americans didn’t want to become farmers and those who did didn’t have the appropriate tools or money to be successful
- The federal gov. also sent many Native American children to boarding schools designed to isolate them from their families and traditional culture and teach them to be “white”
 - Most famous was **Carlisle Indian School** in Pennsylvania
 - “Kill the Indian, save the man”

Gilded Age Politics

- During the Gilded Age, the federal gov. pursued a pro-business “**laissez-faire**” economic policy
- The federal gov. did very little to regulate business leading to the growth of monopolies and the exploitation of workers
- Even laws such as the **Sherman Antitrust Act** and **Interstate Commerce Act**, designed to break up harmful monopolies and regulate railroad rates, were not used to regulate business
 - In reality, the Sherman Antitrust Act was mostly used to combat labor unions
- **Congress raised tariffs after the Civil War** in order to protect American industry
- One major political issue during the Gilded Age revolved around currency
 - Should currency be based on a strict gold standard? Or a silver and gold standard (bimetallism)?
 - The Gold Act of 1873 placed the U.S. firmly on the gold standard
 - This upset farmers who wanted more money in circulation, making it easier to pay off their many debts

“The Forgettable Presidents”

- Ulysses S. Grant:

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- Administration plagued by several political scandals such as Credit Mobilier Scandal, Whiskey Ring, Panic of 1873
- Rutherford B. Hayes
 - Became president after Compromise of 1877, which ended Reconstruction
 - Sent troops in to break up **Great Railroad Strike of 1877**
- James Garfield
 - Assassinated by Charles Guiteau, political office seeker who was upset when Garfield overlooked him
- Chester A. Arthur
 - After Garfield assassination, Arthur throws support behind civil service reform
 - **Pendleton Act (1883)**: ended the spoils system by est. a merit based system for political appointments
 - Signed **Chinese Exclusion Act in 1882**: Banned immigration from China for 10 years
- Grover Cleveland
 - Strong advocate of laissez-faire
 - Ordered troops to break up Pullman Railroad Strike
- Benjamin Harris
 - Advocate of high tariff
 - Passage of McKinley Tariff
- Grover Cleveland
 - Elected again
- William McKinley
 - Spanish American War in 1898
 - Gold Act of 1900: est. gold as the only standard for redeeming paper money

The Populist Party: Farmers Organize

- Farmers were faced with many problems after the Civil War:
 - Declining prices for crops
 - Tariffs
 - High interest rates from banks
 - Chronic debt
 - High freight prices (railroad monopolies charged whatever they wanted)
- Farmers lashed out at banks, merchants, railroads, and the U.S. monetary system (gold standard)
- Farmers began to organize in an attempt to improve their lot
 - **Grange Movement**: founded in 1867, farmers formed cooperatives, endorsed political candidates that lobbied for legislation helping farmers
 - **Farmers Alliance**: worked to strengthen agrarian voice in politics
- In 1891, the **Populist Party** (aka The People's Party) was formed

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- Political party designed to represent the interests of the nations agricultural sector
 - Called for “**free silver**” = generous coining of silver
 - Called for gov. Ownership of railroads and telegraphs
 - Called for graduated income tax
 - Called for direct election of U.S. Senators
 - Called for shorter work days
- In the presidential election of 1896, the Democratic candidate, **William Jennings Bryan**, **ran on a populist platform**
 - Bryan called for a return to a bimetal standard and the “free coinage” of silver
 - Called for end of high federal tariffs
- In his famous “**Cross of Gold**” speech, William Jennings Bryan argued that the gold standard was crushing farmers and called for free coinage of silver
- Bryan lost the 1896 election to Republican candidate **William McKinley**, who supported the gold standard and protective tariffs
- The Populist Party died out soon after, but many of their ideas would live on in the Progressive Era (1890-1910)